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## MINUTES OF THE REGULAR MEETING OF THE CHULA VISTA REDEVELOPMENT CORPORATION (CVRC)

January 24, 2008

6:00 P.M.

A Regular Meeting of the Chula Vista Redevelopment Corporation was called to order at 6:00 p.m. in the Conference Room C-101, located in City Hall, 276 Fourth Avenue, Chula Vista, California.

### CVRC ROLL CALL

PRESENT: Directors: Desrochers, Munoz (arrived at 6:27 p.m.), Paul, Reyes, Rooney, Salas (arrived at 6:01 p.m.), and Chair Lewis

ABSENT: Directors: None

ALSO PRESENT: Executive Director/City Manager Garcia, Assistant City Manager Tulloch, General Counsel/City Attorney Moore, Redevelopment & Housing Assistant Director Crockett, Chief Financial Officer/Finance Director Kachadoorian, Assistant Finance Director Davis, Planning and Building Director Sandoval, Redevelopment and Housing Manager Mills, Principal Project Coordinator Lee, Planning Technician Hoang, Senior Deputy City Clerk Peoples, Senior Administrative Secretary Fields

### PLEDGE OF ALLEGIANCE, MOMENT OF SILENCE

### CONSENT CALENDAR (Items 1 and 2)

#### 1. WRITTEN COMMUNICATION

Memorandum from Hector Reyes requesting an excused absence from the CVRC meeting of December 13, 2007.

Staff recommendation: That the CVRC excuse the absence.

#### 2. APPROVAL OF MINUTES

Staff recommendation: That the CVRC approve the minutes of September 4, 2007, November 8, 2007, December 6, 2007, and December 13, 2007.

ACTION: Director Desrochers moved approval of the Consent Calendar. Director Rooney seconded the motion and it carried 4-0-1 with Director Reyes abstaining on Item 1, and Directors Munoz and Salas absent.

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## PUBLIC COMMENTS

Patricia Aguilar, Chula Vista resident, requested and received clarification on the Chairman's Reports under the December 13, 2007 Minutes.

### 3. DISCUSSION ITEMS

#### A. Redevelopment Financial Overview

Executive Director Garcia, introduced the item and provided an overview of what actions had been taken thus far to get the City's finances back on track. These included implementing a hiring freeze; early retirement incentive; and department reduction plan of at least 8% citywide. The fourth and final action included a review of the existing debt, and financing of the organization in a way to benefit both agencies.

Redevelopment and Housing Assistant Director Crockett provided a history of the Redevelopment Agency, and stated that it will require creativity on the part of the CVRC to get the Redevelopment Agency started with a limited amount of funding.

Suzanne Harrell, Managing Director with Harrell & Company Advisors, LLC, provided an overview of the project areas throughout the City, which included a glossary of redevelopment terms and a presentation on the following topics: 1) how redevelopment is financed; 2) how tax increment is calculated; 3) tax sharing definition and examples; 4) how tax increment is invested back into the redevelopment project area; and 5) the redevelopment plan time limitations.

Redevelopment and Housing Manager Mills summarized the housing set-aside requirements, low and moderate-income production requirements, low and moderate-income fund requirements, and the Fiscal Year 2007/2008 projected low and moderate fund balances.

Assistant Finance Director Davis introduced the Bayfront/Town Centre I Merged Project Area and the project funding and debt issuance, including projects funded with the bond proceeds.

Redevelopment and Housing Assistant Director Crockett provided an overview of the Bayfront Master Plan past to present, along with photos of before and after projects throughout the City that had received bond funding. These projects included the Palomar Trolley Center, Chula Vista Center, Chula Vista Police Department, Gateway Class "A" Office Building, Otay Recreation Center, and the Chula Vista Auto Park.

Assistant Finance Director Davis next presented a report on the debt issued for the merged project area, as well as the debt for all the redevelopment project areas. The report included past challenges, along with gross tax increment for Fiscal Years 1998/1999 to 2007/2008, and a breakdown of tax increment for Fiscal Year 2006/2007 by area and by assessed value growth. It also included the Fiscal Year 2007/2008 projected fund balance.

Chief Financial Officer/Finance Director Kachadoorian spoke on the refunding opportunity, including the financing goals, financing criteria, and 2000 TAB (tax allocation bond) refunding.

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## DISCUSSION ITEMS (continued)

Assistant Finance Director Davis presented the Bayfront Town Center I, Merged Project Area and Combined Project Area 5-Year Forecasts.

### B. Western Revitalization and H Street Corridor Study

Planning and Building Director Sandoval provided a summary of the Western Chula Vista Revitalization plan, which included challenges such as market conditions, lack of tools, development uncertainty, and lack of overall strategy. He also mentioned assets such as the adopted vision and policy documents, eastern Chula Vista success and Bayfront promise, and established business and community organizations. He then presented the new strategy, referred to as "*The Centennial Neighborhoods Partnership*," highlighting the partnership cornerstones of improving the public trust, strengthening our neighborhoods, growing/improving commercial/mixed use areas, and encouraging quality development and providing examples.

## 4. CHIEF EXECUTIVE OFFICER'S REPORTS

Chief Executive Officer Garcia announced that staff member Lori Peoples had moved from the City Clerk's office to the City Manager's office and would continue to provide support to the CVRC.

## 5. CHAIRMAN'S REPORTS

Chairman Lewis expressed his opinion that the CVRC needed to take action now to "drive" the market and be prepared for the market shift.

Additionally, Chairman Lewis expressed gratitude to the board and City staff for their support after the recent passing of his son.

## 6. DIRECTORS' COMMENTS

### A. Committee Report On Roles & Processes

Director Rooney, on behalf of the Committee comprised of himself and Directors Munoz and Salas, provided a brief summary of the Committee's report on the key follow-up action items that resulted from the Board's October 11, 2007 working session.

## ADJOURNMENT

At 8:17 p.m., Chairman Lewis adjourned the meeting to the Regular Meeting of February 28, 2008, at 6:00 p.m., noting that the Regular Meeting of February 14, 2008 was being cancelled.

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Eric Crockett, Secretary

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